GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2715
ANSWERED ON:17.03.2017
Disinvestment Drive in CPSE
Goud Dr. Boora Narsaiah;Joshi Shri Pralhad Venkatesh

Will the Minister of FINANCE be pleased to state:

(a) Whether the Government has started a disinvestment drive in Central Public Sector Enterprises (CPSEs) including Bharat Earth Movers Limited;
(b) If so, the details thereof along with the objectives and benefits of disinvesting in the CPSEs;
(c) Whether the Government held consultations with the concerned State Governments, Employees Unions and other stakeholders in this regard; and
(d) If so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI ARJUN RAM MEGHWAL)

(a) & (b) : Disinvestment in Central Public Sector Enterprise (CPSEs) is undertaken as per the extant disinvestment policy of the Government on 'minority stake sale' and 'strategic disinvestment'. The Government has given "in-principle" approval for the strategic disinvestment of some CPSEs, including Bharat Earth Movers Limited (BEML).

Disinvestment of Government's shareholding through 'minority stake sale (upto 49 per cent)' and strategic disinvestment in CPSEs are being undertaken to list the company, unlock the true value of the companies, promote public ownership and higher degree of accountability.

Focus of the strategic disinvestment is to adopt a pragmatic approach for the Government to exit from non-strategic business to optimize economic potential for business enterprises by promoting efficiency and professional management in the company.

(c) & (d) : Presently only 'in principle' approval for strategic disinvestment in the CPSEs has been given by the Government.